

of acres of land along the Colorado River corridor and help to fund Utah's schools.

Since statehood, Utahns has been blessed with millions of acres of lands that are held in trust to generate funding for our schools. These lands are scattered throughout the state in a checkerboard pattern, making it hard for Utah and the federal agencies with adjacent property to manage our public lands. The legislation we are introducing today would consolidate some of these lands, with the goals of improving the state's ability to maximize the funding it earns for schools, preserving land along the Colorado River corridor for recreational use, and easing the Department of Interior's ability to manage federal land in Utah.

The land exchange that is being proposed today has the potential to be a win-win solution for the State of Utah and the United States. This legislation seeks to create an equal value exchange where both American taxpayers and the school children of Utah get a fair deal. Important to achieving this goal, the legislation establishes a valuation process that is transparent for the public to view.

This legislation represents a truly collaborative process with all of the stakeholders represented. It is supported by local government, the State of Utah, the recreation community, and the environmental community and has been worked on closely with the Department of Interior. The State has been working over the past year to address the concerns of all of the stakeholders and will continue to work until the legislation is perfected.

The introduction of this legislation marks Congressman CANNON's and my commitment to working with the local stakeholders, appropriate congressional committees, and the Department of Interior to craft a legislative product with a broad range of support. I urge the Secretary of Interior and her staff to dedicate the resources and time necessary to move this process forward in the coming months.

INTRODUCTION OF LEGISLATION CLARIFYING THE LAW PROHIBITING STATES FROM IMPOSING A TAX ON THE RETIREMENT INCOME OF NON-RESIDENTS OF THAT STATE

HON. CHRIS CANNON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, October 8, 2004

Mr. CANNON. Mr. Speaker, I am today introducing legislation to clarify Public Law 104-95, adopted by the Congress in 1995, prohibiting States from taxing the retirement income of nonresidents. That law was enacted in response to actions of some States which were aggressively seeking to tax nonresidents on retirement income from past employment in that state. The Congress felt that State taxation of nonresidents' retirement income was unfair and imposed an unreasonable burden on nonresident retirees.

The law defines "retirement income" as any income from specified types of qualified pension plans or from a nonqualified deferred compensation plan that meets certain payment requirements. Nonqualified deferred compensation plans are defined by reference to section 3121(v)(2)(C) of the Internal Revenue

Code (the "Code") which relates to employment taxes. Specifically, any income of an individual who is not a resident of the taxing State from any plan, program, or arrangement described in section 3121(v)(2)(C) is exempt from that State's income tax, provided the income received from such plan is part of a series of substantially equal periodic payments made—no less frequently than annually—over the life expectancy of the recipient, or for a period of not less than 10 years.

I think the intent of the law is clear, but I am aware that a question could arise regarding state taxation of nonqualified retirement benefits paid by a partnership to its retired nonresident partners. Specifically, the concern is that the reference to section 3121(v)(2)(C) of the Code could be construed to limit the exemption to payments made only to retired employees—i.e. those individuals subjected to FICA tax—since that provision is written in the context of employment taxation. Under this view, nonqualified retirement benefits paid by a partnership to its retired nonresident partners would not be exempt from nonresident state income taxation because there is no specific reference to self-employed individuals in the Public Law 104-95, section 3121(v)(2)(C) of the Code, or subsequently issued Treasury Regulations for that section.

The bill makes it clear that section 3121(v)(2)(C) was meant to define nonqualified deferred compensation income, irrespective of whether the recipient was subject to FICA tax, by specifically including self-employed plans or arrangements. The rationale for applying the statute's exemption for employee retirement income applies equally to retirement income of an independent contractor or partner. Given the fact that the bill is intended to clarify what has been the intent of the bill all along, it applies as of the effective date of Public Law 104-95, i.e., to amounts received after December 31, 1995.

THE CONGRESSIONAL CONFERENCE ON CIVIC EDUCATION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 8, 2004

Mr. MARKEY. Mr. Speaker, the Honorable Judge Learned Hand once said:

... Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it; no constitution, no law, no court can even do much to help it. While it lies there, it needs no constitution, no law, no court to save it.

These famous words emphasize the fact that civic participation is vital to the maintenance of a healthy democracy. A national effort is currently underway to promote the civic engagement of our citizens by focusing on the youth of our nation. By creating effective civic education programs in our elementary and secondary schools, we can educate kids at an early age and encourage them to become active in local politics.

In September of last year, the First Annual Congressional Conference on Civic Education was launched to begin a national conversation about how to encourage civic participation. One of the positive outcomes of the congressional conference was the establishment of

state delegations that would enact specific policies designed to restore the civic mission of our schools.

I would like to recognize Diane N. Palmer, the facilitator, and the whole Massachusetts delegation for their leadership in working to design a strategy to improve civic education in our State. These Massachusetts activities include: Holding a statewide conference on civic education for new teachers; creating a commission to plan better civic education; and conducting a survey to determine what civic education programs are already used in high schools.

I look forward to seeing the accomplishments of the Massachusetts civic education delegation and their participation at the Second Annual Congressional Conference on Civic Education on December 4-6 of this year.

FEDERAL CHARTER FOR THE AMERICAN INDIAN VETERANS ASSOCIATION

HON. STEPHANIE HERSETH

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 8, 2004

Mr. HERSETH. Mr. Speaker, I rise today to introduce legislation that would recognize and grant a Federal charter for the National American Indian Veterans Association.

Native Americans have long answered the call to serve in our Nation's military and to make the sacrifices necessary to protect this country. In fact, in World War II, more than one-third of all able-bodied Indian men between the ages of 18 and 50 served in our nation's military. Even today, Native Americans have the highest rate of military service of any ethnic group in the country. Native American soldiers serve willingly and honorably and they should have a veterans' organization befitting that service.

Last week, the National American Indian Veterans Association, held its first annual meeting in Phoenix, AZ. Native American veterans from around the country attended this convention and voted unanimously to approve the charter for this new organization. I believe this organization is long overdue and I enthusiastically introduce this legislation today.

Over the years, Congress has chartered many veterans' organizations that represent specific groups: the American War Mothers, the Blinded Veterans Association, Catholic War Veterans, Italian American War Veterans of the USA, Jewish War Veterans of the USA, the National Association for Black Veterans, and the Polish Legion of American Veterans, just to name a few. Providing a federal charter for the American Indian Veterans Association is the right thing to do and it will provide many advantages for its thousands of potential members.

It will connect its members with a network of fellow veterans that will enable them to share information as well provide each other with as personal and emotional support. This group will serve as a resource and a clearinghouse for Native American veterans to discover what benefits to which they may be entitled, and assist them in taking full advantage of the many veterans' programs that may be geared to meet their needs.

I believe that the National American Indian Veterans Association would be an important